



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON 25, D. C.

DPD-7304-61

#841

REPLY TO:

Auditor General
Comptroller, USAF
Eastern District
Liaison Officer
P.O. Box 8155
S.W. Station
Washington, D.C.

1 December 1961

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SUBJECT: Report on Interim Audit
Information Fidelity, Inc.
Las Vegas, Nevada
Contract No. CC-28441
Period 1 March 1961 through 30 November 1961

TO : Contracting Officer


1. In accordance with oral request an audit has been performed of costs incurred under the subject contract. The Auditor visited the Contractor's office on 28 and 29 November 1961 based upon the assurance of Mr. H. I. Miller, its president, that the books and records of the corporation would be ready for final audit at that time. Apparently, Mr. Miller had been overly optimistic in predicting the close-out date because it will take several more weeks, at least, before (1) all invoices from vendors are received and paid, (2) shipments of equipment to final destination completed and (3) establishment of final property accountability and releases, etc., as required.

2. The Auditor assisted the Contractor in establishing the amount of reimbursable costs incurred under the contract from its inception through 30 November 1961. The results are summarized in Exhibit A hereof, which indicates a balance of costs due the Contractor of \$46,002.78. The Contractor submitted a billing dated 30 November 1961 to cover these costs in the amount of \$45,887.35. The difference of \$115.43 is due to the Contractor's inadvertent failure to bill a part of the November 1961 salary paid to one of its employees (F. V. Paradise). This amount will be included in the Contractor's final billing under the contract. It is recommended that the Contractor's bill for \$45,887.35 be paid.

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3. The Contractor paid the salary of [redacted] through 31 October 1961. Other employees of the Contractor were terminated as of 30 November 1961 and no salaries beyond that date will be claimed for reimbursement.


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4. The remaining costs to be included in the Contractor's final billing will amount to approximately \$24,000.00 (including \$23,000 of equipment for which bills have not yet been received from the vendors). The Contractor has indicated that duplicate bills for all items of equipment will be submitted to this office together with receipts [redacted]

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 attesting to the receiving of same. Mr. Miller will discuss this and other matters pertaining to the closing of the contract at the time of his planned visit to this office on 11 December 1961.

6. Fee. As indicated on Schedule A, the Contractor has been paid a total of \$11,486.32 on account of fee. The balance of fee due is not determinable at this time as the total fee remains to be negotiated.

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Audit Liaison Officer
Eastern District
Auditor General